

EXHIBIT 14

The Current Bus Stop

The current franchise consists of 3,083 shelters and

Shelter Franchise

5,585 advertising panels.

The Franchisee

Viacom is the franchisee. It sells the space, and through other contractors, changes the ads and maintains the shelters. The agreement expires at the end of 2003.

Maintenance

It costs [\$TBD] per year to maintain the bus stop shelters and change the ads.

Shelter Condition

While their design is just adequate, the shelters are in good condition and become city property at the end of this current term. Besides maintenance, no capital outlay is required to continue the franchise.

Ad Revenue from Shelters

Advertisers spent between \$80-106 million last year on the bus top shelters. (5/28 memo)

Revenue to the City

Viacom pays the city 36% of their net revenue from advertising. While the City should have earned The City made about \$12.5 million in the past 12 months. (5/28 memo)

The New Street

The new Street Furniture Franchise will consist of

Furniture Franchise

3,300 shelters, 330 newsstands and 20 public toilets.

It will cost between \$55-75 million to manufacture and install the new street furniture franchise. (DOT)

It will cost [\$TBD] per year to maintain the franchise and change the ads.

The new franchise will have about 6,400 ad panels on shelters, 660 ad panels on newsstands and 20 ad panels on toilets.

Outdoor Media Marketplace The NYC media market is different than any other in the country. The combination of high population and high density make it the best and most cost effective way to reach people.

In that sense the NYC outdoor market is the Super Bowl of outdoor media. Even though it is the most expensive ad buy, like an ad in the Super Bowl, it is by far the most efficient way to reach lots of people all at once (it has a very low CPM).

Major Issues Many issues and conditions effect this decision

Old Agreement The current franchise agreement dates from 1987.

Old Commission Model The commission structure for the franchisee reflects one that factors a significant capital investment by the franchisee to build the shelters.

No Capital Required The obligation to build shelters no longer exists. 95% of the shelters are built, paid for and are in good working condition.

Proper Commission Model The current commission model should be reversed to benefit the City. Since no capital investment is required, and the City owns the shelters, the only obligations of the franchisee are to sell/traffic,

clean/maintain and change the ads. This does not cost 64%. It is more likely that a 30% commission to the franchisee will cover all costs and provide a fair profit margin. (See Titan Phone Kiosk Model)

The Opportunity

Since the current shelter system requires no build out and is in good condition, the City can grow its revenues dramatically by using the existing franchise for one or two years.

By using the existing equity in the franchise the City could simply grow revenues and retain ad space for itself OR use the increase revenue to fund the new street furniture franchise and keep ad space for itself.

Our Goal

Fund all new citywide street furniture by leveraging the existing equity in the City's bus stop shelters.

Retain ad space for the City to package with new corporate partnership programs; attract events and promote its own initiatives.

Titan Phone Booth Model

Titan recently completed a 10-year agreement with the City to sell ad space on phone booths. The deal requires Titan to share 24% of its ad revenue with the City and 36% with the phone company. Since it is not

required to build phone kiosks, but only sell/traffic, clean/maintain and change the ads, Titan can operate effectively on 40% of the ad revenue it sells on phones.